

LANDLORD RISK MITIGATION FUND MANUAL

Created by the Metro Homeless Impact Division (MHID), updated by UWGN, Rooftop Nashville, and MHID

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Objective:

This fund will be available for landlords who:

- Have a signed membership agreement for the LBHC; and
- Offer permanent housing through a housing subsidy to a person who transitioned from homelessness to housing.

This Landlord Risk Mitigation Fund is put in place as part of the Community's Landlord Engagement effort with dollars from local foundations, corporations, associations, and other contributors.

These funds will focus on landlord recruitment effort for permanent supportive housing and rapid re-housing opportunities utilizing traditional apartments. Motel owners only qualify if they have turned their units into efficiency apartments and have a one-year lease with a tenant.

II. GENERAL PROVISIONS

Maximum Claim Amount:

Landlords who participate in either RRH or Housing Choice Vouchers (Section 8), VASH vouchers, or Shelter Plus Care for tenants experiencing homelessness can claim up to the following amounts per property:

- up to 10 units: \$5,000 per year
- 11-50 units: \$7,500
- 50+ units: \$10,000 with potential for higher claims as deemed appropriate by circumstance.

Eligible Claim Expenses:

- Up to \$1,000 in damages, which is above the security deposit in excess of normal wear and tear to the unit.

- In situations where a tenant has left before the end of a lease, the Landlord Risk Mitigation fund will provide up to two months' rent (with a limit of \$2,000), until the unit is filled. This would cover a portion or all of the outstanding months to support the landlord as a participating member of the Low Barrier Housing Collective.

Client and Landlord Eligibility Criteria

- A tenant must be enrolled in a Rapid Re-Housing (RRH) program funded by an ESG-CV grant and has been actively enrolled in case management services at the time of move-in – or a tenant has received and is using a housing voucher program (Section 8, VASH, or Shelter Plus Care)
- Landlord and tenant must have a valid one-year lease agreement.
- Landlord fills out a Risk Mitigation Participation Agreement (completed during the Low Barrier Housing Collective Membership orientation).
- Landlord agrees to participate in a mitigation effort with the service provider and/or the Metro Homeless Impact Division prior to starting an eviction process to see if common ground can be found to retain the housing status for the tenant.
- Landlord must register as a vendor with Metro government and be willing to submit an invoice for reimbursement costs.
- Landlord must agree to a Move-In Condition Report signed and dated by both the landlord and the tenant.

Submission Process

- Landlord and Case Manager/Housing Navigator will together fill out a Landlord Mitigation Reimbursement Claim Submission Form through the Low Barrier Housing Collective site > Benefits > Mitigation Fund:
(lowbarrierhousingcollective.org)
- Landlord and Case Manager/Housing Navigator will attach the following documentation to the claim application (MHID will assist as much as possible to make this a smooth process and all documents will be stored in the HMIS Database):
 - i. Signed rental agreement.
 - ii. Move-in Condition Report signed by tenant and landlord.
 - iii. Tenant ledger showing unpaid rents (if applicable) and collection of the security deposit.
 - iv. Notices sent to tenant for unpaid balances.
 - v. Copies of all repair invoices/receipts.
 - vi. Before and after photos of damages with description that are included on the claim application.
 - vii. Invoice for requested funds.

Approval from MHID

A. Decision process

- The Property Engagement Coordinator employed by UWGN will be able to assist the landlord and/or case manager/housing navigator to ensure the application is complete.
- The Property Engagement Coordinator will review the application.
- The Property Engagement Coordinator will respond to the landlord and case manager/housing navigator within 5 business days with approval/denial response:
 - If approved, the staff will notify the landlord and submit the invoice presented.
 - If denied, the staff will provide a written justification and potentially seek additional information to assist with resubmission if the landlord chooses to do so.

B. Payment

- The Property Engagement Coordinator will submit the invoice from the landlord to Rooftop Nashville for payment.
- Invoice payment will proceed.

Claims for Physical Damage

The physical damage must be over and above the requirements of traditional unit turnover such as cleaning, painting, and some carpet replacement.

Examples of types of claims that may be covered include:

- Excessive cleaning.
- Debris removal or disposal.
- Repair of walls, doors, and cabinetry.
- Other damages more than normal wear and tear.

Items not included:

- Normal wear and tear.
- Normal turnover costs.

The maximum claim reimbursed will not exceed \$1,000 in damages and/or up to \$2,000 in potential rent loss if the landlord holds a unit for a future tenant with a housing subsidy. The amount eligible from the fund will be reduced by the security deposit and any of the amount

that could be recovered after an insurance claim and deductible. For example: \$5000 (damages) - \$1000 (security deposit) - \$3000 (insurance claim) = \$1000 (maximum claim).

Claims for lost revenue, if not covered by another program, may include:

- Legal costs related to evictions.
- Rent that is owed, but not collected, not to exceed 60 days.
- Loss of rent due to prolonged unit turnover for repairing excessive damages that exceeds 30 days.
- Other items such as utilities may be included depending on the terms of the lease agreement.

Items NOT eligible for lost revenue claim may include:

- Lost rent during initial lease-up period.
- Costs that are considered normal expenditures for operating a rental unit.

In general, all claims are to be submitted after the termination of tenancy for a covered tenant. However, there are circumstances where the fund may be used to prevent a termination.